



Pacific Ethanol, Inc.

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PACIFIC ETHANOL, INC. AMENDS SENIOR CONVERTIBLE NOTES TERMS

Sacramento, CA, August 4, 2011 – Pacific Ethanol, Inc. (NASDAQ: PEIX), the leading marketer and producer of low-carbon renewable fuels in the Western United States, announced it has amended the terms of its senior convertible notes. The amendment reduces the monthly amortization amount due under the notes and extends the maturity date by three months from February 6, 2012 to May 6, 2012.

Also, on August 3, 2011, the company elected to make its September 1, 2011 installment payment in cash.

Neil Koehler, the company's president and CEO, said, "The amendment reduces our monthly payment obligation and with improved cash reserves provides the company with greater flexibility to meet its debt obligations and ongoing liquidity needs."

The material terms of the amendment are described in a Current Report on Form 8-K to be filed with the Securities and Exchange Commission today.

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (NASDAQ: PEIX) is the leading marketer and producer of low-carbon renewable fuels in the Western United States. Pacific Ethanol also sells co-products, including wet distillers grain (WDG), a nutritional animal feed. Serving integrated oil companies and gasoline marketers who blend ethanol into gasoline, Pacific Ethanol provides transportation,



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storage and delivery of ethanol through third-party service providers in the Western United States, primarily in California, Nevada, Arizona, Oregon, Colorado, Idaho and Washington. Pacific Ethanol has a 20% ownership interest in New PE Holdco LLC, the owner of four ethanol production facilities. Pacific Ethanol operates and manages the four ethanol production facilities, which have a combined annual production capacity of 200 million gallons. The facilities in operation are located in Boardman, Oregon, Burley, Idaho and Stockton, California, and one idled facility is located in Madera, California. The facilities are near their respective fuel and feed customers, offering significant timing, transportation cost and logistical advantages. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets ethanol from Pacific Ethanol's managed plants and from other third-party production facilities, and another subsidiary, Pacific Ag. Products, LLC, markets WDG. For more information please visit www.pacificethanol.net.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

With the exception of historical information, the matters discussed in this press release including, without limitation, the ability of Pacific Ethanol to continue as the leading marketer and producer of low-carbon renewable fuels in the Western United States, whether market conditions and the Company's performance will continue to improve, whether the Company will continue to generate cash to meet its debt obligations and ongoing liquidity needs, and whether the Company will be able to and/or will make future installment payments in cash, are forward-looking statements and considerations that involve a number of risks and uncertainties. The actual future results of Pacific Ethanol could differ from those statements. Pacific Ethanol refers you to the "Risk Factors" section contained in its most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2011 and in its most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 13, 2011.

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